

The City of Wylie
Policy on Requests for the Donation of Public Funds
In Support of Not-For-Profit Organizations

Purpose:

The City of Wylie is committed to providing financial assistance to not-for-profit organizations that provide assistance to its citizens.

In funding not-for-profit organizations, the City of Wylie will:

1. Encourage the not-for-profit organizations to provide services that meet specific needs of Wylie citizens.
2. Provide “last resort” capital or operating budget support to not-for-profit organizations.
3. Supplement (not supplant) funding from other sources available to not-for-profit organizations.
4. Provide limited funds to encourage the not-for-profit organizations to seek alternative resources of funds, donated materials and volunteer labor.
5. Relate specifically to measurable levels of service provided to City citizens.
6. Promote accountability through reporting of services provided.

Procedures:

The presentation and consideration of requests for expenditures of public funds by the City Council in support of not-for-profit organizations will be evaluated based on the following guidelines and criteria:

1. Requests for the donation of public funds to not-for-profit organizations must be submitted to the Wylie City Manager’s Office on or before May 1, of each year for consideration in the operating budget process.
2. An emergency request may be submitted at anytime provided:
 - a. The request was not reasonably foreseeable on or before May 1, budget process deadline, or
 - b. The essential function of the requesting not-for-profit organization would be irreparably harmed if delayed to the next budget process cycle.
3. Organizations requesting the donation of public funds from the City of Wylie are required to complete the City’s Request Form (Exhibit “A”).
4. Each not-for-profit organization’s application for funds will be screened by the City Manager’s Office to ensure the guidelines and criteria are met.
5. Presentations of qualified applicant requests will be made at a City Council meeting appropriate to the operating budget process, to include a Public Hearing.

6. Not-for-profit organizations whose requests do not meet the guidelines and criteria of this policy will be so notified and if appropriate, invited to resubmit the request for the next budget cycle.
7. City Council donations to not-for-profit organizations will be based on the benefit to the public and the priorities of community outcomes.

Eligibility Criteria:

At a minimum, the not-for-profit organizations will meet the following qualifying criteria to receive public funds:

1. The organization will be a non-profit, tax exempt 501(c) (3) corporation, in good standing with the State of Texas, and must have an active Board of Directors in compliance with IRS Section 501 (c) (3).
2. The organization will have been operating successfully for at least two years prior to the application deadline.
3. The organization will have sufficient funding support to meet ongoing operating costs and obligations.
4. The organization is not currently receiving other funding from the City of Wylie.
5. If previously funded by the City of Wylie, the organization must have successfully fulfilled all prior contractual obligations, or explain reasons for non-compliance.
6. Services and programs are need-based, nondiscriminatory, and provided to the citizens of the City of Wylie.
7. Services and programs are provided through means that are more cost effective than the City government could provide.
8. Services and programs supplement or extend the services and programs by the City.
9. Services and programs are able to fill gaps that may exist between those of the City and the needs of the community.
10. The organizations are able to verify their not-for-profit status and submit detailed financial documents for review by City staff, including, but not limited to:
 - a. Federal tax identification number;
 - b. Copy of 501(c)(3) nonprofit status certification letter; and
 - c. Certificate of liability insurance.

Restrictions on the Use of Public Funds:

The City of Wylie will not fund the following:

1. No more than 25% of the public funds request may be for salaries; however, under unusual circumstances, exceptions may be approved by the City Council.

2. Social functions, parties, receptions, fund-raising benefits, refreshments, or beverages.
3. Licensing fees of any kind.
4. Underwriting, investments, stocks, bonds, or any financial obligation.
5. Interest and/or depreciation on loans, fines, penalties, or costs of litigation.

Accountability:

Not-for-profit organizations requesting donations of public funds will adhere to general accounting principles as set by law. Continued compliance with these standards is a criterion for possible future donations. These standards include, but are not limited to:

1. Submission of a current list of the organization's Board of Directors, officers, and staff.
2. Submission of the organizations bylaws and mission statement.
3. Submission of the most recent audited financial statement and/or detailed budget as part of the application process.
4. Submission of end-of-year financial report to the City after the donation is granted.